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DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-917]

Laminated Woven Sacks from the People's Republic of China: Final Results of Countervailing Duty Administrative Review and Rescission, in Part; 2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that Shandong Shouguang Jianyuan Chun Co., Ltd. (Shouguang) received countervailable subsidies during the period of review (POR) January 1, 2018 through December 31, 2018. In addition, we are rescinding this review with respect to the 18 companies listed in the Appendix to this notice.

DATES: Applicable (INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*).

FOR FURTHER INFORMATION CONTACT: Chien-Min Yang, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-5484.

SUPPLEMENTAL INFORMATION

Background

This review covers Shouguang, the sole mandatory respondent, its cross-owned affiliate, Shandong Longxing Plastic Products Co., Ltd., and 18 other companies that did not have reviewable entries of subject merchandise during the POR for which liquidation is suspended.

On June 23, 2020, Commerce published the *Preliminary Results*.¹ In the *Preliminary Results*, Commerce preliminarily determined that Shouguang received countervailable subsidies during the POR. Pursuant to section 776(a) of the Act, Commerce preliminarily relied upon facts otherwise available because neither the Government of China (GOC) nor Shouguang responded to the initial questionnaire. Commerce further found that an adverse inference was warranted because the GOC and Shouguang did not cooperate to the best of their ability. In addition, we stated our intent to rescind this administrative review with respect to 18 companies that did not have reviewable entries of subject merchandise during the POR and for which liquidation is suspended.² Although we invited parties to comment on the *Preliminary Results*,³ no interested party submitted comments.

On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.⁴ On July 21, 2020, Commerce tolled all deadlines in administrative reviews by an additional 60 days.⁵ The deadline for the final results of this review is now December 21, 2020.

Scope of the Order

The merchandise covered by this order is laminated woven sacks. Laminated woven sacks are bags or sacks consisting of one or more plies of fabric consisting of woven polypropylene strip and/or woven polyethylene strip, regardless of the width of the strip; with or without an extrusion coating of polypropylene and/or polyethylene on one or both sides of the

¹ See *Laminated Woven Sacks from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review and Intent to Rescind, in Part*; 2018, 85 FR 37624 (June 23, 2020) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

² *Id.*, 85 FR at 37625.

³ *Id.*, 85 FR at 37625-26.

⁴ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19," dated April 24, 2020.

⁵ See Memorandum, "Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews," dated July 21, 2020.

fabric; laminated by any method either to an exterior ply of plastic film such as biaxially-oriented polypropylene (BOPP) or to an exterior ply of paper that is suitable for high quality print graphics;⁶ printed with three colors or more in register; with or without lining; whether or not closed on one end; whether or not in roll form (including sheets, lay-flat tubing, and sleeves); with or without handles; with or without special closing features; not exceeding one kilogram in weight. Laminated woven sacks are typically used for retail packaging of consumer goods such as pet foods and bird seed.

Effective July 1, 2007, laminated woven sacks are classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 6305.33.0050 and 6305.33.0080. Laminated woven sacks were previously classifiable under HTSUS subheading 6305.33.0020. Laminated woven sacks are also classifiable under HTSUS 6305.33.0040. If entered with plastic coating on both sides of the fabric consisting of woven polypropylene strip and/or woven polyethylene strip, laminated woven sacks may be classifiable under HTSUS subheadings 3923.21.0080, 3923.21.0095, and 3923.29.0000. If entered not closed on one end or in roll form (including sheets, lay-flat tubing, and sleeves), laminated woven sacks may be classifiable under other HTSUS subheadings including 3917.39.0050, 3921.90.1100, 3921.90.1500, and 5903.90.2500. If the polypropylene strips and/or polyethylene strips making up the fabric measure more than 5 millimeters in width, laminated woven sacks may be classifiable under other HTSUS subheadings including 4601.99.0500, 4601.99.9000, and 4602.90.0000. Although HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the order is dispositive.

⁶ “Paper suitable for high quality print graphics,” as used herein, means paper having an ISO brightness of 82 or higher and a Sheffield Smoothness of 250 or less. Coated free sheet is an example of a paper suitable for high quality print graphics.

Rescission of Review, In Part

As noted in the *Preliminary Results*, 18 of the companies subject to this review did not have reviewable entries of subject merchandise during the POR for which liquidation is suspended. Accordingly, in the absence of reviewable, suspended entries of subject merchandise during the POR by the 18 companies at issue, we are rescinding this administrative review with respect to these 18 companies, in accordance with 19 CFR 351.213(d)(3).⁷

Final Results of the Review

Because we received no comments from interested parties, we made no changes to the *Preliminary Results*. Accordingly, no decision memorandum accompanies this *Federal Register* notice.⁸

We determine the following net countervailable subsidy rate for the period January 1, 2018 through December 31, 2018:

Company	Net Subsidy Rate <i>Ad Valorem</i>
Shandong Shouguang Jianyuan Chun Co., Ltd. and Shandong Longxing Plastic Products Co., Ltd.	398.62 percent

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with the final results within five days of the date of publication of the notice of final results in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, because Commerce has applied a rate based on facts otherwise available with an adverse inference to the sole mandatory respondent in this review, in accordance with section 776 of the Act, and because

⁷ See the Appendix for a list of the 18 companies for whom we are rescinding this review because each had no reviewable, suspended entries during the POR.

⁸ For further details of the issues addressed in this proceeding, see *Preliminary Results* and PDM.

the method for determining the subsidy rate is outlined in the *Preliminary Results*,⁹ there are no calculations to disclose.

Assessment Rates

Consistent with section 751(a)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.212(b)(2), Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess countervailing duties on all appropriate entries. Commerce intends to issue appropriate assessment instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

Pursuant to section 751(a)(2)(C) of the Act, Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amount indicated above for the named respondents entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms, we will instruct CBP to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification Regarding Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby

⁹ See *Preliminary Results* PDM at “Use of Facts Otherwise Available and Application of Adverse Inferences” and Appendix II.

requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

This notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 351.221(b)(5).

Dated: October 16, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

Appendix

List of Non-Selected Companies for Rescission

1. Cangnan Color Make The Bag
2. Changle Baodu Plastic Co., Ltd.
3. First Way (H.K.) Limited
4. Han Shing Chemical Co., Ltd.
5. Jiangsu Hotson Plastics Co., Ltd.
6. Ningbo Yong Feng Packaging Co., Ltd.
7. Polywell Industrial Co.
8. Polywell Plastic Product Factory
9. Shandong Qikai Plastics Product Co., Ltd.
10. Shandong Qilu Plastic Fabric Group, Ltd.
11. Shandong Youlian Co., Ltd.
12. Wenzhou Hotson Plastics Co., Ltd.
13. Zibo Aifudi Plastic Packaging Co., Ltd.
14. Zibo Linzi Luitong Plastic Fabric Co., Ltd.
15. Zibo Linzi Qitianli Plastic Fabric Co., Ltd.
16. Zibo Linzi Shuaiqiang Plastics Co., Ltd.
17. Zibo Linzi Worun Packing Product Co., Ltd.
18. Zibo Qigao Plastic Cement Co., Ltd.

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